(iv) To review the present structure of regulation and supervision of the insurance sector and to make recommendations for strengthening and modernising the regulatory system in tune with changing requirements.

(v) To review and make recommendations on the role and functioning of surveyors, intermediaries and other ancilliaries of the insurance sector.

(vi) To make recommendations on such other matters as the Committee considers relevant for the health and long term development of the insurance sector or which are consequential on other recommendations made by the Committee, including changes in legislation where necessary.

LOSS INCURRED BY CO-OPERATIVE BANKS IN MADHYA PRADESH

2593. SHRI DILIP SINGH JUDEV : Will the Minister of FINANCE be pleased to state :

(a) whether some co-operative banks in Madhya Pradesh are running in losses due to their heavy expenditure on Administration and salaries;

(b) if so, the details of such banks and the details of loss suffered by them during each of last five years;

(c) what are the actual figures of Administrative expenditure incurred by each bank district-wise; and

(d) the action proposed to be taken by Government to reduce the loss incurred by co-operative banks in Madhya Pradesh ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) to (d) The details of the losses incurred by District Central Co-operative Banks (DCCBs) and also their administrative expenditure for the last five years are given in the Statement (See below). The losses incurred by these banks arise on account of various factors like low business turnover, high cost of management, low operating margins, lack of diversification of loan portfolio, failure to manage funds prudently and low recovery.

National Bank for Agriculture and Rural Development (NABARD) had held discussions with the State Government on the position of losses of these institutions. The State Government was requested to have Action Plan for each loss making institution prepared indicating the specific measures like improving recoveries, economising on administrative costs, etc. so as to make the current operations viable in the first instance and eventually to liquidate the accumulated losses.

STATEMENT

De tails of losses incurred by District Central Co-op.rative Banks and also their administrative expendiiure for the last five years (1988-89 *to* 1992-93)

(Rs. in lakhs)

S. No.	Name of the Bank	Losses					Cost of Management (COM) during the respective year the DCCBs was in losses					
		1988-89	1989-90	1990-91	1991-92	1992-93	1988-89	1989-90	1990-91	1991-92	1992-93	Percetage of **COM to working capital
1	2	3	4	5	6	7	8	9	10	11	12	13
1.	Damoh	45	25	46	.09	40	71	73	102	85		3.35
2.	Datia	13	15	69	15	25	26	27	25	27		3.63
3.	Rajgarh	P	9	45	P	48	..	64	231	63		2.50
4.	Raisen	28	34	18	17	50	61	63	44	49		2.03
5.	Shivpuri	40	17	14	16	26	48	53	169	55		2.69
6.	Sehore	..	P	2	16	P	..	P	72	73		5.00
7.	Guna	..	3	17	P	P	..	53	49	41		1.90
8.	Tikamgarh . . .	17	P	7	17	49	48	..	62	54		2.99
9.	Dewas	12	6	10	P	87	88	95	115	91		2.66

1	2	3	4	5	6	7	8	9	10	11	12	13
10. Durg	. . . .	P	9	1	P	P	..	114	74	77		1.66
11. Panna	. . . .	12	8	3	11	22	30	34	34	42		3.96
12. Raigarh	. . . .	14	P	P	P	P	50	2	146	48		2.54
13. Sagar	. . . .	0.22	14	10	P	6	66	87	100	92		2.72
14. Ujjain	. . . .	22	27	35	P	70	104	122	146	110		3.09
15. Dhar	. . . .	P	4	P	P	36	..	125	120	89		2.36
16. Jabalpur	. . . .	P	6	P	P	P		66	..	71		3.14
17. Satna	. . . .	P	14	P	P	P	..	60	18	59		1.99
18. Chindwara	. . .	P	P	P	P	12	..	.	.	67		2.51
19. Narsinghpur	. . .	P	P	P	P	25	.	.	.	73		2.68
20. Khargon	. . . .	P	P	P	P	40	.	.	.	147		2.19
21. Khandwa	. . . .	P	P	P	P	44	.	.	.	154		2.85
22. Vidisha	. . . .	P	P	P	P	47	..	..	..	82		2.20
23. Ratlam	. . . .	P	P	P	P	27	..	.	..	88		3.08
24. Sujapur	. . . .	P	P	P	P	53	..	.	.	79		2.51

**COM_ data for 1992-93 not available.

'P'_ Bankwas in Profit during the year.